

**INFORMATION COLLECTION REQUEST**

**FOR**

**REVISION TO C.F.R. 51.309**

**OF**

**THE REGIONAL HAZE RULE**

**EPA # 1813.03**

**Prepared by the**

**Air Quality Strategies and Standards Division  
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**February, 2002**

## **1. IDENTIFICATION OF THE INFORMATION COLLECTION REQUEST**

### **1(a) Title of Information Collection:**

“State, Tribal, Federal and Private Sector Administrative Burdens of the Revision to Regional Haze Rule to Incorporate an Optional Stationary Source Sulfur Dioxide Program for Nine Western States and Eligible Indian Tribes Within That Geographic Area”

### **1(b) ABSTRACT/EXECUTIVE SUMMARY**

The Paperwork Reduction Act requires the information found in this Information Collection Request (ICR) 1813.03, to assess the burden (in hours) and cost (in dollars) of the revisions to the regional haze rule, as well as the periodic reporting and record keeping necessary to maintain the rule once it has been approved. The proposed revision to the regional haze rule was submitted for review to the Office of Management and Budget on November 29, 2001.

The time period covered in this ICR is the three years after promulgation (October 1, 2002 through September 30, 2005). The option afforded by the anticipated proposed revision to 40 Code of Federal Regulations (CFR) 51.309 can affect up to nine western states, four tribal governments, and 194 stationary sources during this three year period should the states and tribal governments exercise the option.<sup>1</sup>

The following activities occur during the three period for those exercising the option of 40 CFR 51.309:

- Interpreting and identifying the requirements of the revisions to 40 CFR 51.309;
- Developing, submitting, and processing the State and Tribal Implementation Plans;
- Preparing and submitting the annual emissions reports; and,
- determining annual emissions relative to emission milestones

The Agency estimates the incremental burden for state, tribal, and federal governments as well as affected sources choosing associated with these activities. At this time, it appears very unlikely that

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<sup>1</sup>Those states include Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, and Wyoming. The tribal governments include the Navajo Nation, Shoshone-Bannock Tribe of the Fort Hall Reservation, Ute Indian Tribe of the Uintah and Ouray Reservation, and Wind River Reservation. The 194 sources include sources emitting 100 or more tons of sulfur dioxide annually.

the states of California and Nevada will exercise the 40 CFR 51.309 option.<sup>2</sup> Hence, California and Nevada are not included in the burden projections.<sup>3</sup>

The Agency anticipates an additional administrative burden for state, tribal, and regional<sup>4</sup> governments as well as private sector respondents of 14,000, 2600, 240 and 18,000 hours, respectively. This is for the entire three year period. The corresponding average annual burden would be 1/3 of those estimates. The present value of the total additional costs for the respondents is \$1.8 to \$2.1 million dollars during the three year period or about \$2 million dollars (2001 year dollars). Two million dollars is equivalent to an annual cost of \$762 thousand per year during the three year period of the ICR. About 62% of that sum is the estimated administrative cost to private sector respondents while 32% is for the state government respondents. The respective percentages for the tribal governments and regional entity are 5% and <1%.

The estimated Federal burden is 1300 hours for the three year period with an average annual burden of 430 hours per year. The present value of the Agency administrative cost burden ranges from \$52 to \$55 thousand dollars or about \$54 thousand dollars. This is equivalent to an annual cost of about \$21 thousand for the three year period.

## **2. NEED FOR AND USE OF THE COLLECTION**

### **2(a) NEED/AUTHORITY FOR THE COLLECTION**

Section 169A of the Clean Air Act (CAA) sets forth a national goal for visibility which is the “prevention of any future, and the remedying of any existing, impairment of visibility in mandatory class I Federal areas which impairment results from manmade air pollution.” This section of the Act also calls for EPA regulations to assure that States provide for reasonable progress toward meeting the national goal. The regulations on protection of visibility in mandatory Class I Federal areas, developed in 1980, addressed visibility that is “reasonable” attributable” to a single source or small group of sources.

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<sup>2</sup>See <http://www.wrapair.org>

<sup>3</sup>The burden hours for these and other affected states and sources during the October 1, 2002 through September 30, 2005 are addressed in a separate ICR revision. The current ICR for the Regional Haze Rule expires September 30, 2002. The proposed revision to that ICR will cover the subsequent three year period October 1, 2002 through September 30, 2005 and address the burden associated with implementing the C.F.R. 51.308 provisions.

<sup>4</sup>The regional government is the Western Regional Air Partnership. The State and tribal governments need not defer to this entity. The state and tribal governments can choose to exercise the option provided by 40 CFR 51.309 revisions do the tasks ascribed to the Western Regional Air Partnership by themselves.

The regional haze regulations promulgated in 1999 added new sections to the code of federal environmental regulations. These included sections 40 CFR 51.308 and 40 CFR 51.309. These sections addressed visibility impairment caused by emissions from numerous sources located across broad regions. Section 40 CFR 51.309 dealt with visibility impairment affecting sixteen Class I areas in the west. This section was developed as a result of recommendations issued by the Grand Canyon Visibility Transport Commission (GCVTC) in 1996. The Western Regional Air Partnership (WRAP) submitted an Annex to the 1996 report of the GCVTC on September 29, 2000. This submittal was required under 40 CFR 51.309(f) of the regional haze rule in order for the nine western states and four tribes to have the option of submitting plans implementing the GCVTC recommendations. The Annex contains recommendations for implementing the regional haze rule in the West, including a set of recommended regional emission milestones for 2003-2018 sulfur dioxide levels. Sulfur dioxide is a key precursor to the formation of fine particles and regional haze.

This proposed ICR is a companion to a proposed revision to 40 CFR 51.309 provisions issued in 1999. The proposed 40 CFR 51.309 revision would approve the provisions of the Annex submitted by the WRAP on September 29, 2000. According to the proposed revision to 40 CFR 51.309, the Annex would be approved as meeting the requirements of the regional haze rule and applicable requirements under the Clean Air Act. Recognize this ICR covers only the proposed amendments to 40 CFR 51.309.

## **2(b) USE/USERS OF THE DATA**

The data collected from respondents include state and tribal implementation plans, annual emission reports, and determinations regarding annual emissions relative to milestones. The implementation plans are air quality management strategies. The plans set forth what is required of the sources are designed to ensure compliance with the requirements of the Clean Air Act. The annual emissions reports provide the states, tribal, and federal government information on sulfur dioxide emissions from sources included within this program. The annual emissions reports are used by the States and Tribes to determine the total regional stationary source emissions. This total is then compared to a regional emission milestone.<sup>5</sup>

## **3. NON DUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

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<sup>5</sup>If the milestone is exceeded within 6 years, the program provides for backstop measures. However, portions of the 6 year period goes beyond the 3 year period covered by this ICR. The implementation of backstop measures, if needed, is entirely beyond the 3-year period covered by this ICR.

### 3(a) NON DUPLICATION

There are three parts to the information collection for this ICR: the state and tribal implementation plans, the annual emissions reports, and the determination of annual emissions relative to milestones.

**Implementation Plans.** The implementation plans required by the proposed amendments to the regional haze rule are unique and do not duplicate other implementation plan requirements. Moreover, they will build upon information gathered in the process of developing the report of the GCVTC as well as the Annex to that report prepared by the WRAP. In fact, the proposed revision to 40 CFR 51.309 provides an option for codifying the recommendations set forth in the GCVTC report as well as the WRAP Annex.

**Annual Emissions Reports.** The requirements for annual emissions reports could apply to 194 sources emitting 100 tons per year or more of sulfur dioxide. However, two of the nine states that could exercise the option provided by the proposed revision to 40 CFR 51.309 have indicated they will not exercise the option. Hence, such sources in California and Nevada are not included in this information collection request, although they may be included in subsequent revisions to the portion of ICR # 1813.02 that apply to 40 CFR 51.308. Many of the remaining potentially affected sources presently report their sulfur dioxide emissions as a result of other state and Federal programs. The Agency's attempt to reduce duplication of effort in reporting is reflected in the Proposed Consolidated Emissions and Reporting Rule. 65 FR 33268-33280. This information collection request does not change the format of present reporting systems such as the emission allowance trading program for utility boilers under Title IV of the Clean Air Act.

In determining the incremental burden associated with annual emissions reporting under the proposed amendments to 40 CFR 51.309, it is important to note that EPA's regulations for emissions inventories in place as of December 2001 (40 CFR 51.321) already require such reporting. Furthermore, as noted in the preamble to the proposed rule, the EPA is not proposing to require States to develop more detailed emissions reporting and collection protocols than they are currently using for their emissions inventory development process. Hence, under reporting regulations in place as of December 2001, there is little if any additional burden.

But, EPA is expecting to publish changes to the emission inventory reporting requirements in a rule known as the Consolidated Emissions Reporting Rule. This rule will be codified in a new Subpart A to 40 CFR 51. One of the provisions of this rule allows States to relax emissions reporting frequency for some sulfur dioxide stationary sources. In particular, while sources exceeding 2500 tons per year will continue to be required to report their emissions annually, sources emitting between 100 and 2500 tons per year would be required to report their emissions every three years. While States currently have requirements in their SIPs based on 40 CFR 51.321, the Consolidated Emissions Reporting rule allows the States to relax those requirements.

The EPA does not know whether the States who choose to participate in the visibility program provided by 40 CFR 51.309 would choose to relax their emissions reporting requirements as allowed by the Consolidated Emissions Reporting rule. However, for the purposes of this ICR, the EPA is making the assumption that all of the emissions reporting burden for participating states for sources emitting 100 to 2500 tons per year is attributed to the proposed amendments to 40 CFR 51.309 of the regional haze rule.

The proposed rule requires that States prepare an annual emissions report of sulfur dioxide emissions for sources covered by the program. The annual emissions report does not duplicate any other existing report. The annual emissions report will be largely derived from information collected in the emission inventory development process. Those inventories are accessible to the public as well as state and tribal governments.

**Determinations.** With respect to determination of annual sulfur dioxide emissions relative to milestones, such determinations are part of the recommendations put for the recommendations of the GCVTC report as well as the WRAP Annex.

In essence the Agency has taken every reasonable step to avoid duplication in its paperwork requirements in accordance with 5 CFR 1320.4. The regional haze rulemaking is mandated by the Clean Air Act. The proposed revision to 40 CFR 51.309 provides an option for participating states and tribes to take steps to codify the recommendations of the GCVTC and the WRAP while avoiding unnecessarily duplicative reporting. Thus the Administrator affirms that the proposed revision to 40 CFR 51.309 does not impose such duplicative burdens.

### **3(b) Public Notice Required Prior to ICR Submission to OMB**

The proposal to revise 40 CFR 51.309 refers to the ICR.

### **3(c) CONSULTATIONS**

The U.S. EPA was involved in a consultative capacity during the development of the GCVTC report and the WRAP Annex. In addition, the U.S. EPA spoke with the states during the development of proposed revisions to 40 CFR 51.309.

### **3(d) EFFECTS OF LESS FREQUENT COLLECTION**

The collections under the proposed revisions to 40 CFR 51.309, should the affected states and tribes exercise that option, are necessary to ensure a regional haze program which:

- sets forth reasoned milestones;
- provides mechanisms for tracking progress; and,
- includes triggers (determinations) to ensure further progress.

Furthermore, the Annex to the report of the GCVTC reflects the desires of the participating states and stakeholders with respect to these items. Specifically, the Annex provides for annual milestones and determinations. Because the proposed revision to 40 CFR 51.309 incorporates these preferences, annual milestones and determination reports are necessary. Therefore, less frequent collection is not appropriate.

### **3(e) GENERAL GUIDELINES**

The Agency completed OMB form 83-1, the Paper Act Reduction Act Submission in accordance with guidelines set for by the Office of Management and Budget. Those guidelines reflect the requirements of 5 CFR 1320.6. The proposed revisions to 40 CFR 51.309 and this ICR do not require:

- reporting more than once a year;
- respondents to participate in a statistical survey;
- responses to Agency inquiries in less than 30 days;
- respondents to receive remuneration for preparation of reports; and,
- manual methods of reporting.

### **3(f) CONFIDENTIALITY**

The information requested from the private sector is currently available for many of the affected sectors. The information does not reveal details of the production process. To the extent it may, the confidentiality, proprietary, and trade secret information necessary for the completions of the annual emissions report are protected from disclosure under the requirements of subsections 503(e) and 114(c) of the Clean Air Act.

### **3(g) SENSITIVE INFORMATION**

The information requested (implementation plan, annual emissions reports, and determination report) does not include sensitive questions.

## **4. THE RESPONDENTS AND THE INFORMATION REQUESTED**

### **4(a) RESPONDENTS AND THEIR SIC-NAICS CODES**

As noted previously, California and Nevada are assumed to not use the 40 CFR 51.309 option. The Standard Industrial Classification (SIC) and North American Industry Classification System (NAICS) codes for the affected sources and the number of affected sources in the States of Arizona, Colorado, Idaho, New Mexico, Oregon, Utah, and Wyoming are presented in Table 1. The information is put in ascending order of the SIC number.

**Table 1. SIC/NAICS Codes for Affected Respondents**

<b>Description</b>	<b>SIC</b>	<b>NAICS</b>	<b>No. of Affected Sources</b>
Metal Mining Services 1081		213114 1	
Copper Ores	1021	212234	1
Crude Petroleum & Nat.Gas	1311	211111	23
Nat. Gas Liquid Extraction	1321	211112	10
Potash, Soda, Borate	1474	212391	4
Misc. Nonmetallic Minerals	1499	212399	3
Dried & Dehydrated Food	2034	311423	1
Cane Sugar Refining	2062	311312	1
Beet Sugar Mfg.	2063	311313	4
Pulp & Paperboard	2611	322130	2
Paper Mill (Newsprint)	2621	322121	5
Paperboard Mill	2631	322130	5
Basic Inorganic Chem.Mfg.	2819	325188	1
Phosphatic Fertilizer Mfg.	2874	325312	3
Nat. Gas Liquid Extraction	2891	211112	1
Petroleum Refining	2911	324110	13
Other Petrol.& Coal Prod.	2999	324199	1
Glass Container Mfg.	3221	327213	1
Flat Glass Mfg.	3221	327221	1
Cement Hydraulic, Mfg.	3241	327310	6
Iron & Steel Mfg.	3312	331111	2
Copper (Cu) Smelter	3331	331211	6
Aluminum (Al) Smelter 3334		331312 2	
Smelter Not Cu or Al	3339	331419	2
Fossil Fuel Elect. Powr. Gen	4911	221112	3***Need Information
Sewage Treatment Facility	4952	327310	1
Education	8221	611310	4
Admin. Gen. Econ. Program	9611	926110	1
Not available	9999	n.a.	1
Total Exclusive of 4911			107

The other affected respondents include the governments of the states and tribes who develop implementation plans, forward annual emissions reports, and conduct determinations of annual sulfur dioxide emissions versus milestones.

#### **4(b) INFORMATION REQUESTED**



The information requested under this ICR reflects adoption of the proposed revision to 40 CFR 51.309 by seven western states and four tribal governments. The proposed revision attempts to clarify and codify the recommendations of the GCVTC report and WRAP Annex. Those products were not developed in isolation but in collaboration with the various governmental bodies, special interest groups, and representatives of the potentially regulated communities. Part of those recommendations addressed the issues of common protocols, emission management strategies, emissions tracking, and progress assessments. Hence, there is an awareness of the additional requirements associated with developing implementation plans, reporting annual emissions, and determining the relationship between emission levels and milestones.

**Data Items.** The annually collected data must be sufficient for an annual determination regarding whether or not the milestone is exceeded. Retention of the records for at least five years from the establishment of the record is required.

**Respondent Activities.** The respondents must adhere to the provisions of the federally approved implementation plans of states and tribes that choose to exercise the option of the proposed revision to 40 CFR 51.309. For the period covered by this ICR, those provisions include reports of sulfur dioxide emissions for calendar year 2003 and 2004. Recognize that some of this is already required by other provisions of the Clean Air Act and state requirements.

**Reporting Protocols.** The states and tribal governments in the course of preparing the GCVTC report and WRAP Annex addressed the issue of reporting protocols that would reduce respondent burden. This ICR is for a proposed revision to 40 CFR 51.309. The proposed revision attempts to codify the recommendations of the GCVTC Report and the WRAP Annex.

The proposed amendments to 40 CFR 51.309 contain a number of provisions related to the backstop trading program that States must have in place in case a regional sulfur dioxide milestone is exceeded. The Agency does not provide any burden estimates for implementing the backstop trading program. This omission is appropriate because the earliest this trading program would be triggered would be calendar year 2009. That is beyond the October 1, 2001 through September 30, 2005 period covered by this ICR

## **5. THE INFORMATION COLLECTED—AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

### **5(a) AGENCY, STATES AND TRIBES, AND WRAP ACTIVITIES**

**Agency.** The Agency's activities include:

- reviewing and processing the implementation plans submitted by the participating state and tribal governments;
- reviewing and commenting on the 2003 state and tribal emissions reports; and

- reviewing and commenting on the WRAP's calendar year 2003 determination regarding reported emissions versus milestones.

**Participating States and Tribes.** The activities for the tribes and states during the October 1, 2002 through September 30, 2005 period include:

- completing the model rule including the emissions protocol for the backstop trading program;
- preparing the proposed regulations (implementation plan) using the model rule and a workshop;
- administering the public comment process on the proposed regulations (implementation plan);
- preparing final regulations (implementation plans) and submitting them to the Agency;
- quality assuring reported data (annual emissions data) and preparing exception reports;
- preparing draft emission report;
- administering the public review process on the draft emissions report; and
- preparing the final report and submitting it to the Agency, WRAP, other states, and tribes.

**WRAP or Participating States and Tribes.** Making an annual determination as to whether the combined emissions from all participating States and Tribes exceeds the regional miles is another required activity. The proposed revision to 40 CFR 51.309 allows the States and Tribes to choose to have this annual determination made by a regional planning organization, rather than being performed by each State or Tribe. For purposes of this ICR, we assume that the States and Tribes will choose to allow a regional planning organization known as the Western Regional Air Partnership (WRAP) to coordinate this annual determination. The annual determination includes preparing a draft report, administering the public review process, and finalizing the report and submitting it to the EPA. Specifically, the assumed WRAP activity during the October 1, 2002 through September 30, 2005 period is focused on the determinations of emissions versus milestone for calendar year 2003.

## **5(b) COLLECTION METHODOLOGY AND MANAGEMENT**

The implementation plans prepared by the participating states and tribes will set forth the specifics regarding the actual methodology and management. The monitoring and reporting data must be sufficient to determine whether the milestone for each year (between 2003 and 2018) is exceeded. In addition, provisions are made for adjustments in view of changes in emissions monitoring or calculation methods, flow rate measurement methods, adjustments for illegal emissions, adjustment based upon program audits, adjustments for sources opting into the program, documentation of emission calculation methods, record keeping, completion and submission of emissions reports, exceptions reports, and annual comparison of emissions to milestones.

## **5(c) SMALL ENTITY FLEXIBILITY**

For ICR approval, the Agency must demonstrate that it “has taken all practical steps to develop separate and simplified requirements for small businesses and other small entities” (5 CFR 1320.6(h)). However, the proposed revision to 40 CFR 51.309 codifies an optional process for state

and tribal level rule making. It is the state and tribal governments that will develop and implement these requirements for small businesses and other small entities.

The substantial intervening discretion of the states and tribes in adopting and implementing provisions of 40 CFR 51.309 is reflected in the GCVTC Report and the WRAP Annex. Those recommendations were developed with much discussion and consultation with various stakeholders including potentially regulated entities. The recommendations and proposed revisions to 40 CFR 51.309 already benefit small entities by limiting coverage to sources with annual emissions of 100 or more tons of sulfur dioxide (although sources emitting lesser quantities can opt into an emission reduction program). In addition, the vast majority of these sources are not small entities.<sup>6</sup> Furthermore, the current emissions and reporting requirements faced by most of sources emitting 100 or more tons of sulfur dioxide already meet the reporting requirements set forth in the proposed revisions to 40 CFR 51.309.<sup>7</sup>

#### **5(d) COLLECTION SCHEDULE**

During the period for October 1, 2002 through September 29, 2005, there are three sets of scheduled deliverables: state and tribal implementation plans, annual emissions reports, and annual emissions relative to milestone determination.

**Implementation Plans.** The implementation plans for the participating states must be submitted by December 31, 2003. The implementation plans for the tribes can be submitted later, but would probably be submitted before September 30, 2005.

**Sources Annual Emissions Reports by Affected Source Owners or Operators.** The sources in participating states must report 2003 calendar year emissions to their states in early 2004. The 2004 calendar year emissions must be reported in early 2005.

**State and Tribal Government Annual Emissions Reports.** The participating states and tribal governments compile the source reports for calendar years 2003 and 2004. The report for 2003 is finalized later in 2004 and submitted to the WRAP, and other states and tribes. The annual emissions report for calendar year 2004 is finalized later in 2005.

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<sup>6</sup>The EPA provides documentation of these estimates in a technical memorandum, "Size of Potentially Affected Entities Should the Western Regional Air Partnership States Choose to Adopt Regulations in Accordance with the Draft Proposed Rule Revising Section 51.309(h)." Allen Basala, EPA, October 17, 20001.

<sup>7</sup>Personal Communication between Tim Smith and the rule writer for the recently proposed Consolidated Emissions and Reporting Rule, Bill Kuykendahl, November 2001.

## 6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

This section provides information on the cost and burden associated with the information collection for both the respondents (sources, states, tribes, WRAP) and the Agency. Burden and cost are presented in per unit terms as well as total terms. The costs are presented on an annual basis and as a total in present value terms for the three year period.

### 6(a) ESTIMATING RESPONDENT BURDEN

The draft proposed revision to 40 CFR 51.309 was reviewed to identify the various task elements associated with reading and interpreting the rule in its final form, developing and process implementation plans, preparing and processing annual emissions reports, and making determinations regarding annual emissions relative to milestones.

The estimated burden is incremental to that foreseen due to other environmental reporting obligations over the three year period of October 1, 2002 through September 20, 2005. The task elements are part of five tables used to estimates respondent burden. They include:

- Table 1. Burden to Interpret and Identify 40 CFR 51.309 Requirements;
- Table 2. Burden for States and Tribes Develop Implementation Plan Regulations Under 40 CFR 51.309;
- Table 3. Burden for Sources to Report Sulfur Dioxide Emissions to the States;
- Table 4. Burden for State and Tribal Governments to Prepare and Submit Emissions Reports for Calendar Year 2003 and 2004; and,
- Table 5. Burden for the WRAP to Make Calendar Year 2003 Determinations

These tables are presented on the following pages along with an explanation regarding the burden hour estimates. The burden estimates in these tables are presented on a per respondent (e.g. source, state, tribe, etc.) basis. Footnotes are included at the bottom of most tables to provide further information regarding the estimates.

**Table 1. Respondent Burden to Interpret and Identify 40 CFR 51.309 Requirements**

Respondent	Hours per Respondent	Number of Respondents	Year Incurred*
Sources**	10 to 30	194	2002
States***	10 to 30	7	2002

<b>Tribes****</b>	<b>80 to 100</b>	<b>4</b>	<b>2002</b>
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**\*These activities would occur shortly after the rule was promulgated, fall 2002.**

**\*\*Even though many of these sources are in states that may choose not to exercise the 40 CFR 51.309 option, all potentially affected sulfur dioxide sources are assumed to incur this burden.**

**\*\*\*Assumes California and Nevada will not participate.**

**\*\*\*\*Greater burden-hour estimate for the tribes presumes that such programs are in the earlier stages of development and possibly less familiarity with the program of the WRAP.**

**Table 2. Respondent Burden to Develop Implementation Plan Regulations Under 40 CFR 51.309**

<b>Task Elements</b>	<b>Hours/Source</b>	<b>Hours/State</b>	<b>Hours/Tribe</b>	<b>Year Incurred</b>
Obtain legal authority	not applicable	40	40	Late 2002 or early 2003
Complete Model Rule Including Emissions Protocol for the Backstop Trading Program	20	40 to 80	40	Early 2003 for the states; can occur later for the tribes.
Workshop on model rule and develop proposed regulations	30 hours	1400	30 (prepare, attend, participate)	Occurs in mid 2003 for the states; can occur later for the tribes
Finalize & Sign Memorandum of Understanding with the WRAP	Not applicable	40	40	25% 2002; some in 75% in 2003
Administer public comment process on proposed regulations	20	200	200	In 2003 for the states; can occur later for the tribes
Prepare & send to EPA final regulations, securing approval of legislative body where appropriate	Not applicable	120	120	On or before 12-31-03 for the states; can occur later for the tribes

**Table 3. Burden for the Sources to Report Annual Emissions to the State**

<b>Task Element</b>	<b>Hours/Source*</b>	<b>Year Incurred</b>
<b>Report Calendar Year 2003 emissions</b>	<b>0 for &gt;2500 tons/year sources; 40 for smaller non-complex sources; 160 for smaller complex sources</b>	<b>2004</b>
<b>Report Calendar Year 2004 Emissions</b>	<b>same as noted for reporting calendar year 2004 emissions</b>	<b>2005</b>

\* Most states currently require reporting of sources that are 100 tons/year or greater. However, the recently signed consolidated and emissions and reporting rule relaxes federal requirements for those sources to 2500 tons/year. Whether the states will adjust their reporting accordingly is unknown; we assume they do. Hence, there is an estimate of incremental reporting burden for those sources that emit  $\geq 100$  and <2500 tons/year of sulfur dioxide. Examples of non-complex sources include industrial boilers, lime kilns, cement plants, and natural gas plants. The complex sources include refineries, smelters and other metallurgical operations, and kraft pulp mills. At these sources, there may be a variety of operations emitting sulfur dioxide. Hence, the higher estimate of burden hours.

**Table 4. Burden for State and Tribal Governments to Prepare and Submit Annual Emissions Reports**

<b>Task Element</b>	<b>Hours/State</b>	<b>Hours/Tribe**</b>	<b>Year Incurred</b>
<b>Quality Assurance of Data Including Exceptions Report</b>	<b>10 to 50*</b>	<b>10</b>	<b>2004 for 2003 report; 2005 for 2004 report</b>
<b>Prepare Draft Report Including Review by Management</b>	<b>20</b>	<b>10</b>	<b>Same as noted above</b>
<b>Administer Public Review Process</b>	<b>20</b>	<b>10</b>	<b>Same as noted above</b>
<b>Prepare Final Report, Sending It to EPA, WRAP, and Other States, and Tribes</b>	<b>20</b>	<b>10</b>	<b>Same as noted above.</b>

\*The 10 hours reflects an assumption of 3 exception reports per state with a burden of 3 hours per report. The 50 reflects that assumption plus the fact that one of the potentially affected states does not presently quality assure data from every source. Hence, 40 hours is added to the annual emissions report burden for that state.

**\*\*The lower estimate for tribes reflects the fact that there are 1 or 2 sources on the land of each tribe. In addition, some of those sources already submit quality assured data under other programs.**

**Table 5. Burden for the WRAP Regarding Milestones to Annual Emissions Determinations**

<b>Task Element</b>	<b>Hours/Element</b>	<b>Year Incurred*</b>
<b>Collate, Review, and Prepare Draft Report for 2003 Emissions to Milestone Determinations</b>	<b>80</b>	<b>2004 (4<sup>th</sup> quarter; this is in the 3<sup>rd</sup> year of the ICR)</b>
<b>Administer Public Review Process</b>	<b>80</b>	<b>2004 (4<sup>th</sup> quarter; this is in the 3<sup>rd</sup> year of the ICR)</b>
<b>Submit 2003 Determination Report to EPA</b>	<b>80</b>	<b>2005 (1<sup>st</sup> quarter; this is in the 3<sup>rd</sup> year of the ICR)</b>

The draft report must be prepared by 12-31-04. The milestone determination for calendar year 2003 must be submitted to EPA by 3-31-05.

## **6(b) ESTIMATING RESPONDENT COST**

Labor costs are estimated for both affected sulfur dioxide emission sources as well as State and tribal governments. The estimated cost for the sources is developed using Bureau of Labor statistics data.<sup>8</sup> Those detailed description of the methodology and data elements are explained in section 6(d). The estimated cost for the state and tribal government is developed using compensation data for the federal government from the Office of Personnel Management. These estimates are for total compensation including some indirect costs. The methodology and data elements are for the federal government which is assumed applicable to the State and tribal governments is described below in section 6(c). The application of those rates to the burden hours for state and tribal governments is described in section 6(d).

There are no task elements that pertain to capital, operations, and maintenance costs. There are no task elements that pertaining to capital/start-up and maintenance costs. There are no capital equipment costs that warrant annualization.

The respondent burden across time reflects the nature of the task elements over the three year time period: 10-01-02 thru 9-30-03; 10-01-03 thru 9-30-04; and, 10-01-04 thru 9-30-05. There are some non-recurring task elements during this period such as preparation of state and tribal

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<sup>8</sup>U.S. Bureau of Labor Statistics Economic News Release. Table 2. Civilian workers, by occupation and industry group. The estimate is employer cost for March 2001.



implementation plans. There are other task elements that would be expected to occur during this and future burden reporting periods. These task elements may include annual emissions and determination reports.

#### **6(c) ESTIMATING AGENCY BURDEN AND COST**

The estimated incremental burden hours for the U.S. Environmental Protection Agency pertaining to state and tribal implementation plan submissions, annual emission reports, and the WRAP determination report are presented in Table 6. The burden hour estimates reflect additional requirements for regional and headquarters offices.

The estimated cost in 2001 dollars is the result of developing an hourly rate and multiplying this by the estimated number of additional burden hours. The hourly rate is determined by dividing the annual direct and indirect salary costs by 2080 hours.

The estimated weighted direct salary cost per employee is \$59,226. This results from summing the following components.

- Annual 2001 Salary of Permanent Professional Staff at GS 11, Step 3: \$48,757. This is the average of the salaries for the Washington D. C. and San Francisco areas. Those rates are taken from <http://www.opm.gov/oca/payrates/index.htm>
- 1/11 or 9% of the annual 2001 salary of permanent managerial staff at GS 13, Step 3: \$69,491. This is also the average of the salaries for the Washington D.C. and San Francisco areas. Those rates are taken from tables at <http://www.opm.gov/oca/payrates/index.htm>
- 1/8 or 16% of the annual 2001 salary of permanent support staff at GS 6, Step 6: \$32,421. This too reflects the average for the Washington D.C. and San Francisco areas.

The estimated annual indirect cost per employee is \$34,351. This is the sum of the following:

- Benefits at 16% of the direct salary cost (i.e.  $\$59,226 \times 0.16$ )
- Sick and annual leave at 10% of direct salary cost
- General overhead at 32% of the direct salary cost

The total of the direct and indirect annual cost is  $\$59,226 + \$34,351 = \$93,577$ . The corresponding hourly rate given 2080 working hours in a year is \$44.99 or \$45. The total additional cost figures in Table 6 are carried out to more significant digits than the accuracy and the precision of the estimates warrant. However, this is done to increase the transparency of the methodology and the estimated results.

**Table 6. Burden and Cost for U.S. Environmental Protection Agency**

<b>Task Element</b>	<b>Regional Offices Burden</b>	<b>Headquarters Office Burden*</b>	<b>Total Additional Cost</b>	<b>Year Incurred</b>
<b>Complete Model Rule Including Backstop Trading Program*</b>	40 to 80 hours	30 to 60 hours	70 x \$45 = \$3150 140 x \$45 = \$6300	Earlier in 2003 for the states; later in 2003 for the tribes. (First year of ICR)
<b>Using the Model Rule have a workshop and prepare the proposed rule</b>	140 hours***	15 hours	155 x \$45 = \$6975	Earlier in 2003 for the states; later in 2003 for the tribes (First Year of ICR)
<b>Complete MOU with the WRAP****</b>	40 hours	10 hours	50 x \$45 = \$2250	25% in 2002; 75% in 2003. (First year of ICR)
<b>Review and Process SIP Submissions</b>	920 hours*****	50 hours	970 x \$45 = \$43650	2004 (Second Year of ICR)
<b>Review and Comment on State and Tribal Emissions Reports</b>	30 hours	5 hours	35 x \$45 = \$1575	2004 (Second Year of ICR)
<b>Review &amp; Comment on the WRAP's 2003 Calendar Year Determination</b>	20 hours	5 hours	25 x \$45 = \$1125	2005 (Third Year of ICR)

\*Headquarters participation addresses the relationship of the actions to other related EPA rule makings, programs, and policies.

\*\*EPA is working with the States in Developing the Model and Backstop. The EPA Region 9 is assumed to take the lead and is working with one document.

\*\*\*EPA participates in the process and alerts the state regarding the technical nature of potential departure from the model rules. The 140 hour total is the product of 20 hours per state times 7 participating states.

\*\*\*\*Assumes 10 hours for each regional office plus 10 hours for headquarters

\*\*\*\*\*The estimate is derived by multiply the estimate per state times the number of states (7). The per state estimates for review, issuing notice of proposed rule making, response to comments, and writing and issuing the final rule are 60, 16, 40, and 16 hours, respectively.

#### **6(d) ESTIMATING THE RESPONDENT UNIVERSE AND TOTAL ADDITIONAL BURDEN AND COSTS.**

The total additional burden estimate for respondents is a four step process. The first is to add the per unit burden on each table. The second step is to multiply that burden by the number of affected respondents. The third is to multiply the number of burden hours by the appropriate labor rate. The fourth is to sum the total additional respondent burden from the subtotals for tables 1 through 5.

One of the sources is in a U.S. Department of Energy Laboratory. The methodology applied to that source is the same as applied to all the other affected sources. That source is assumed to emit more than 100 but less than 2500 tons per year of sulfur dioxide. The source is assumed to be a non-complex small source (see footnote “\*\*” in Table 7.

**Table 7. Respondent Universe and Total Additional Burden**

<b>Source of Per Unit Estimate</b>	<b>Sources: Hours</b>	<b>States: Hours</b>	<b>Tribes: Hours</b>	<b>WRAP: Hours</b>
<b>Table 1</b>	<b>1940 to 5820 hours</b>	<b>70 to 210 hours</b>	<b>320 to 400 hours</b>	<b>not applicable</b>
<b>Table 2</b>	<b>7490 hours*</b>	<b>12,880 to 13,160 hours</b>	<b>1880 hours</b>	<b>not applicable</b>
<b>Table 3</b>	<b>6680 hours**</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>
<b>Table 4</b>	<b>not applicable</b>	<b>1060 hours</b>	<b>320 hours</b>	<b>not applicable</b>
<b>Table 5</b>	<b>not applicable</b>	<b>not applicable</b>	<b>not applicable</b>	<b>240 hours</b>
<b>Total for Tables 1 through 5</b>	<b>16,110 to 19990 hours</b>	<b>14,010 to 14,430 hours</b>	<b>2520 to 2600 hours</b>	<b>240 hours</b>

\*This is the product of 70 additional hours times 80 sources found in Arizona, Colorado, New Mexico, Utah, and Wyoming plus the number of sources found in Idaho and Oregon. The number of non-utility sources found in Idaho and Oregon is 27. The total is 70 hours x 107 sources.

\*\*Steve Frey of EPA Region 9 estimated the number for 5 states (Arizona, Colorado, New Mexico, Utah, and Wyoming). He got 80 sources in those states (9>2500 tons/year; 50 non complex sources; and, 21 complex sources). Tim Smith of EPA OAQPS estimated 25 non-complex and 2 complex <2500 ton sources in Idaho and Oregon. The 75 non-complex sources x 40 hours per source plus 23 complex sources x 160 hours per source yields the estimated number of burden hours..

Respondent universe and total additional costs over time are presented in Table 8. The hourly cost estimates for the states, tribes, and the western regional air partnership are assumed to be the same as the federal government rates. See section 6(c). The rates for the affected sulfur dioxide emissions sources reflect total compensation levels. This includes wages and salaries as well as paid leave, supplemental pay, insurance, retirement and savings, legally required benefits and other benefits.

These data are found at: <http://www.bls.gov/news.release/ecec.t02.html> and reflect wages for civilian workers in white-collar occupations. The data reflect total hourly compensation and are in 2001 dollars. The estimated weighted total compensation hourly rate is \$55.37. This is derived using the methodology set forth in the ICR for 40 CFR 71, for Federal operating permits.

In that ICR, there is a rate for the labor category conducting the work as well as additions to that rate to reflect associated managerial and administrative labor. That procedure is also followed here. The resulting hourly rate for factoring in those items is \$41.95. This includes the following.

- Total hourly compensation for professional and specialty labor is \$36.04
- \$3.62 is the additional hourly charge for associated supervisory (managerial labor) at 9% or 1/11 of the corresponding total compensation rate of \$40.25.
- \$2.29 is the additional hourly charge for associated administrative support at 13% of 1/8 of the corresponding total compensation rate of \$17.59.

The methodology in the ICR for federal operating permits took basic salary and wages and added in the amounts for benefits, leave and general overhead.. The total compensation figures here already incorporate paid leave, supplemental pay, insurance, retirement and savings, legally required benefits and other benefits. However, there is not a corresponding item in the total compensation figures for general overhead. In the federal operating permits ICR, general overhead referred to such items as additional wear and tear on the supplies, materials, and facilities used by the employees. The amount charged for such costs in that ICR was 32% of the total compensation rates including the supervisory and administrative support.<sup>9</sup> Thirty-two percent of \$41.95 is \$13.42. The sum of \$41.95 plus \$13.42 is \$55.37. That is the fully loaded estimate of direct and indirect charges associated with the burden hours for the sources.

The respondent universe and total additional costs over time are the result of multiplying the burden hours for each year for each category of respondents by the labor rates described above. As with the total additional cost estimates in Table 7, the lack of rounding is not an indication of the accuracy and precision of the estimates. The detail is provided to increase the understanding of the derivation of the cost estimates.

**Table 8. Respondent Universe and Total Additional Costs Over Time**

<b>RESPONDENTS</b>	<b>First Year of ICR (10/02 thru 9/03)</b>	<b>Second Year of ICR (10/03 thru 9/04)</b>	<b>Third Year of ICR (10/04 thru 9/05)</b>
<b>SourEces*</b>	<b>\$522139 to \$736975</b>	<b>\$369872</b>	<b>\$369872</b>
<b>States**</b>	<b>\$582750 to \$601605</b>	<b>\$23850</b>	<b>\$23850</b>

<sup>9</sup>Telephone communication with Daniel Mussatti on 12-17-01.

<b>Tribes***</b>	<b>\$41400 to \$45000</b>	<b>\$64800</b>	<b>\$7200</b>
<b>WRAP****</b>	<b>Not Applicable</b>	<b>Not Applicable</b>	<b>\$10800</b>

\*The total additional hours applying to tasks in tables 1 and 2 are summed and multiplied by \$ 55.37/hour to yield the estimate for the first year of the ICR. The estimates for the second and third year result from taking the total additional hours for the tasks in Table 3 and multiplying them by the same rate.

\*\*The first year estimate includes the totals hours related to tasks in Tables 1 and 2. The total estimate of additional hours ranged from 12950 to 13370. Some of the tasks in Table 2 could arguably occur in the second year of the ICR. However, the hours were put in the first year and multiplied by the rate of \$45 per hour.

\*\*\*All of Table 1 tasks occur in the first year of the ICR. The last two elements of Table 2 tasks are presumed to occur in the second year. The other elements of Table 2 are presumed to occur in year one. Given the smaller number of sources, on tribal lands these burden hour estimates and associated costs are probably over estimates for the collection of tasks identified in Table 2. The task elements in Table 4 are assumed to occur in the second year as well as the third year of the ICR.

\*\*\*\* The states need not have a regional planning body do these tasks. If the participating states choose to have the WRAP do the tasks identified in Table 5 and pay a rate of \$45 per hour, The corresponding cost estimate is the product of 240 hours times \$45 per hour.

## 6(e) BOTTOM LINE BURDEN AND COST TABLES

**The Respondent Tally.** The proposed amendments to 40 CFR 51.309 of the regional haze rule may affect 194 sources, 7 states, and 4 tribes at some time over the three year period of October 1, 2002 thru September 30, 2005. These proposed amendments are options. However, if adopted, the proposed amendments could result in an estimated increase in burden of 33 to 37 thousand hours for the respondents over the three year period of October 1, 2002 through September 30, 2005.

In year 2001 nominal dollars, the estimated additional administrative cost of the rule for the respondents ranges from \$1.1 million to \$1.4 million in the first year. For the second and third year, there is no range for the cost estimates. The estimated amounts are \$0.5 million in the second year and \$0.4 million in the third year.

In present value terms, the estimated additional administrative cost for respondents over the three year period ranges from \$1.8 to \$2.1 million or about \$2 million.<sup>10</sup> The \$2 million in present value terms corresponds to a payment or cost of \$765 thousand each year of the three year period.

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<sup>10</sup>The assumptions behind the calculations are as follows. The first, second, and third year costs are respectively, one, two, and three years hence. The interest rate is 7 percent. The present value estimates result from dividing the future values by 1.07 for the first year; 1.14 or 1.07 x 1.07; and 1.23 or 1.07 x 1.07 x 1.07. The present values estimates for each year are summed. For example, on the lower estimate, the first, second, and third year present values are \$1.071 million, \$0.436 million, and \$0.336. This yields a lower estimate in present value terms of \$1.8 million

The respondent burden tally in burden hours and present value cost estimates is summarized in Table 9.

**Table 9. Bottom Line Estimated Respondent Tally in Burden Hour and Present Value Terms**

<b><u>RESPONDENTS</u></b>	<b><u>ESTIMATED BURDEN HOURS</u></b>	<b><u>PRESENT VALUE COST ESTIMATE (Yr 2001 \$'S)</u></b>
<b>Sources</b>	<b>16,100 to 19,990</b>	<b>1.111 to 1.314 million</b>
<b>States</b>	<b>14,010 to 14,430</b>	<b>0.621 to 0.638million</b>
<b>Tribes</b>	<b>2,520 to 2,600</b>	<b>0.101 to 0.105 million</b>
<b>WRAP</b>	<b>240</b>	<b>0.008 million</b>
<b>TOTALS</b>	<b>32,750 to 37,140</b>	<b>1.8 to 2.1 million</b>
<b>TOTALS (averaged over the three-year period)</b>	<b>11,650</b>	<b>\$743,000 *</b>

\* This is the stream of uniform annual payments over 3 years that would have a present value of \$2.85 million (the average of \$1.8 and \$2.1 million) given an interest rate of 7%.

**The Agency Tally.** The estimated total additional burden for the Agency is 1305 to 1375 hours over the three year period. The estimated burden for the first year ranges from 275 to 345. There is no range for the second and third year burden estimates. Those respective estimates are 1005 and 25 hours.

In nominal year 2001 dollars, the estimated additional costs for the first year range from \$12,375 to \$15,525. The estimated nominal costs for the second and third years in year 2001 dollars are \$45,225 and \$1125 respectively. The corresponding present values are \$11,565 to \$14,510 for the first year; \$39,500 for the second year; and, \$920 for the third year. The estimated total additional Agency cost burden in present value terms is the sum of these or \$52 to \$55 thousand. This is equivalent to an equalized annual payment or annualized cost of \$20 to \$21 thousand over the three year period of the ICR.

## **6(f) REASONS FOR THE CHANGE IN BURDEN**

The reason the burden estimates for ICR #1813.02 are changed is to reflect a proposed revision to section 40 CFR 51.309 of the regional haze rule that was promulgated in 1999. The period covered by ICR #1813.02 is October 1, 1999 through September 30, 2002. The period cover by this ICR is October 1, 2002 through September 30, 2002.

## **6(g) Burden Statement.**

The proposed amendments to the regional haze RH rule have impacts only for States and tribes who choose to implement section 40 CFR 51.309 of the regional haze rule. For States and tribes who choose to implement the program, the amendments would also affect stationary sources owners within their jurisdictions. The EPA estimates, on average, a total of 11,650 burden hours for State, tribal and industry/source respondents would result from the proposed amendments over the three year period covered by this ICR. Average costs over the three-year period would be \$743,000.

Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR Part 9 and 48 CFR Chapter 15.

Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822 T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503, Attention: Desk Officer for EPA. Include the EPA ICR number 1813.03 and OMB control number 2060-0421 in any correspondence.